



Board of Education Report

File #: Rep-412-17/18, **Version:** 1

Approval of Business Improvement District Petition

May 8, 2018

Division of District Operations

Action Proposed:

District staff recommends approval of the following Business Improvement District (BID) petitions: Arts District Los Angeles, Byzantine Latino Quarter, Hollywood Entertainment District, Hollywood Media District, LA Fashion District, Lincoln Heights Community Benefit, and Melrose Avenue.

Each BID proposes a special assessment based upon square footage of the parcel(s) within the BID. The District owns property within each of these BID regions. The BID provides services including, but not limited to, providing safety patrols, sidewalk cleaning, maintenance improvements and marketing.

Currently, the following District schools receive benefits from the BIDs: Los Angeles ES, Gates St ES, Gates St Early Ed, Selma Ave ES, Hollywood SH, Bancroft MS, Vine St ES, Fairfax SH, and Melrose Ave ES. The District reached out to the schools that reside in the seven listed BIDs and the majority have stated a positive and beneficial relationship between their school/school community and the BID services.

The annual total not-to-exceed amount for the special assessment of all seven (7) BIDs is \$311,465.39.

Business Improvement Districts Renewing for 2019	Term	Annual Cost to LAUSD	LAUSD Properties Affected
Arts District Los Angeles	2019-2023	\$4,128.22	Administrative Space(s)
Byzantine Latino Quarter	2019-2023	\$1,978.61	Los Angeles ES
Lincoln Heights Community Benefit	2019-2028	\$21,601.06	Gates St ES, Gates St Early Ed
Hollywood Entertainment District	2019-2028	\$47,177.13	Selma Ave ES
Hollywood Media District	2019-2023	\$115,463.84	Hollywood SH, Bancroft MS, and Vine St ES
Los Angeles Fashion District	2019-2023	\$76,323.54	Administrative Space(s)
Melrose Avenue	2019-2023	\$44,792.99	Fairfax SH, Melrose Ave ES

Background:

A BID is formed when interested parties in a geographical area unite to propose a BID boundary to serve a specific purpose. Once created, a BID provides services, activities, and programs paid for through special assessments charged to all property owners within the BID. This ensures the equitable distribution of the benefits received and the costs incurred to provide the agreed-upon services, activities, and programs. The

assessment funds are collected by the City of Los Angeles and must be spent within the boundaries of the BID. The City of Los Angeles Creates a trust fund for each BID, with funds periodically released to support operations.

BIDs provide services “above and beyond” those provided by the City of Los Angeles. Examples of services provided by BIDs include: private security patrols, sidewalk cleaning, maintenance improvements, Community Redevelopment Agencies, special events, and marketing.

BIDs impose a mandated annual assessment to the District for a period of up to 10 years. The District, as a member of a BID, is assessed a special assessment based upon the square footage of the parcel owned by the District. BID assessments are not taxed. BID assessments are vehicles, which convey special benefit upon those who pay.

BID proposals are submitted to the City of Los Angeles Clerk’s office for review and must receive approval by the Los Angeles City Council prior to their effective start date. All BIDs currently under review are scheduled for an effective start date of January 1, 2019.

Expected Outcomes:

Approval of the action will allow the Superintendent, on behalf of the District, to encumber the necessary funds should the BID petitions receive the necessary support.

Board Options and Consequences:

If “yes” vote, the Superintendent, on behalf of the Board of Education, will allocate the necessary General Funds to encumber the cost of the special assessment.

If “no” vote, the District does not support the assessments associated with individual BID petitions, but would still be responsible to encumber the cost associated with the special assessments should they receive the necessary support.

Policy Implications:

This action supports current District practice.

Budget Impact:

This action has budgetary impact. The annual total not-to-exceed amount for the special assessment of all seven (7) BIDs is \$311,465.39.

Student Impact:

Improve cleanliness and safety around the school perimeter and the surrounding neighborhood.

Issues and Analysis:

Approving the BID petitions provides schools in the various BID regions needed support and maintenance, should the LA City Council approve the BID petitions. Supporting a BID is voluntary by the Board of Education, however the District is obligated to pay the special assessment should the LA City Council vote to pass the BID petitions presented. It has been the District’s practice to evaluate and recommend support or opposition to participate in BIDs when it benefits a District school, District property, or surrounding community within the BID.

Attachments:

None

Informatives:

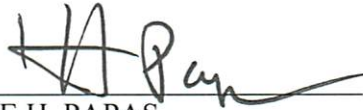
Approval of Business Improvement District Petition

RESPECTFULLY SUBMITTED,



Vivian Ekchian
Interim Superintendent

APPROVED & PRESENTED BY:




DIANE H. PAPAS
Chief Executive Officer
Division of District Operations
and Digital Innovation

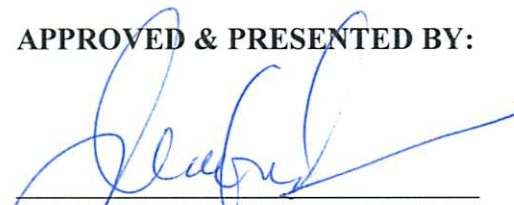
REVIEWED BY:



DAVID HOLMQUIST
General Counsel

 Approved as to form.

APPROVED & PRESENTED BY:




DR. DARNEIKA WATSON-DAVIS
Executive Director
Division of District Operations

REVIEWED BY:



CHERYL SIMPSON
Director, Budget Services and Financial Planning

 Approved as to budget impact statement.